



FLORENCE P. BELSER
GENERAL COUNSEL

August 17, 2006

VIA E-FILING & HAND DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Annual Review of Purchased Gas Adjustment and Gas Purchasing Policies of
Piedmont Natural Gas Company
Docket No. 2006-4-G

Dear Mr. Terreni:

Enclosed please find the original and one copy of the Proposed Order Approving and Adopting Settlement Agreement in the above referenced docket. The parties of record have jointly drafted and consent to this Proposed Order.

Please note that the attached documents are exact duplicates, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

By copy of this letter we are also serving all other parties of record. Please let me know if you have any questions.

Sincerely,

/s/ C. Lessie Hammonds

C. Lessie Hammonds

CLH/pjm
Enclosures

cc: Scott Elliott, Esquire
David Carpenter
Tom Skains
James H. Jeffries IV, Esquire